

USAID/Uzbekistan

Operational Plan

FY 2006

June 13, 2006

Please Note:

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Program Performance Summary FY 2005: DEMOCRATIC REFORM

Country Situation: The deterioration in the relationship between the USG and Government of Uzbekistan (GOU) has significantly affected democratic reforms in the past year. The role of civil society groups has been seriously curtailed, and it is inconceivable that independent political parties will become a significant force in the near future. In response to the perceived threat (of revolutions similar to Georgia and Ukraine) that civil society and democracy-based non-governmental organizations (NGOs) pose, the GOU deputized the Ministry of Justice (MOJ) to control NGO activities within Uzbekistan. In 2004, the MOJ began audits of many international NGOs operating in Uzbekistan. While these have stopped, the break may be temporary. The audits have led to court proceedings against three USAID implementing partners; two of which subsequently have ceased operations (the third case has not yet been decided). All USAID partners (and partners of other donors) have at one time or another been affected by banking restrictions and difficulties obtaining visas and accreditation for expatriate staff. Surprisingly, even with all the problems, many democracy/civil society programs are making measured progress. Ways of providing direct support, training, and advocacy are being found related to anti-trafficking and civil society strengthening activities.

U.S. Assistance Priorities: USAID will broaden the definition of civil society to include non-traditional groups such as professional and membership associations and organizations to include condominium, water users, and health organizations. Additionally, USAID assistance will focus on strengthening our participation in human rights protection and advocacy; expanding housing reform activities (condominium associations); conflict prevention activities related to local economic development, access to information, and economic opportunity for youth; combating trafficking in persons; and, studying the feasibility of information dissemination through a new satellite (direct-to-home) broadcast program.

Program Performance: Despite the increasingly hostile environment and the overall negative trends in terms of democratic reforms and protection of Human Rights in Uzbekistan over the past year, USAID partners continued to work and did achieve some successes. Even after the events in Andijan, GOU law enforcement services participated in activities designed to encourage dialogue between the government and civil society, including human rights defenders, the media, and others. This provided a chance to exchange information and identify ways in which relationships among these groups could be improved. As a result of this opening, human rights defenders were able to participate in investigations of deaths-in-custody for the first time. Surprisingly, these events were able to continue even when other activities could not, providing limited optimism for future governmental reform.

Public Defender Centers, which were developed around established law firms, were able to continue representing indigent clients and developing a network of skilled advocates willing to handle difficult and sometimes sensitive cases; they also set examples for other advocates to follow. The difficult environment had the effect of consolidating and unifying the previously disparate and competitive network of human rights defenders, as they had to work together for protection.

Anti-trafficking programs made positive impact. Procedures for repatriating victims were streamlined, with a reduction in the time for confirming nationality from six months to one week; in addition, approximately 17,000 people were trained on the dangers of trafficking-in-persons. USAID sponsored a shelter in Tashkent for victims of trafficking, the first shelter of this kind in Uzbekistan. The shelter provides living quarters, legal and medical assistance, and rehabilitation for victims. The shelter opened with a waiting list and provided shelter for 68 victims this year. While the GOU prosecuted a higher number of traffickers, almost all were amnestied under provisions of legislation that provide for amnesty for female first-time offenders.

The Civil Society Development Program suffered significant setbacks when the GOU suspended USAID's partner for six months and forced the network of support centers to close down; however, many of the network organizations converted into commercial non-profit organizations so that they could continue operations. The expected nationwide civic advocacy campaigns did not materialize due to the inability of partners to obtain program funding and the deteriorating environment. Nonetheless, many NGOs continued to advocate, with some success, at the regional level on "national level" issues.

The only area where USAID was able to meet expectations in terms of strengthening civil society was in the development of condominium associations in six sites. These programs were slowed by difficulties with transferring money, but were able to continue operations. Because local governments no longer have the resources to effectively manage large apartment blocks, they welcomed the technical assistance and training that enabled these associations to assume responsibility for maintenance and utilities.

USAID continues mitigating conflict in targeted communities of Uzbekistan, where tensions grow as a result of ethnic divides and uneven resource allocation, by raising citizen participation in decision making, improving the delivery of social services, and creating employment. This year, USAID concentrated its conflict programs on 110 communities in the Ferghana Valley and the Southern Uzbekistan regions. These interventions addressed availability of services and access to job opportunities, especially for youth. More than 500 infrastructure and social projects have been completed over the span of the project, benefiting more than a million residents. Projects resulted in 3,512 short-term and 1,324 long-term jobs. In FY 2005, on average, 37% of total project costs came from community contributions, which represented a positive trend. Communities have continued to implement their own projects without USAID financial support, which doubled the total value of such projects since last year. There were 175 such projects reported in FY 2005, with a value of \$665,000, representing a 25% increase over the course of a year. Projects include community centers offering vocational training and space for small enterprises; and construction of a local market and irrigation system to boost farming production and trade.

USAID's Religion, State and Society (RSS) Initiative was a new cross-cutting program which began work at the close of FY 2004 when a RSS Specialist was hired. During FY 2005, the RSS Specialist carried out outreach efforts to Muslim communities through two bus tours in Southern Uzbekistan, regular meetings with Islamic leaders, and a lecture on Islam in the United States for university students. In addition, USAID sponsored participation in international conferences and workshops on the relationship between religion and democratic public life. Despite tense relations between the USG and the GOU, these and other embassy outreach efforts, allowed the USG to maintain positive relations with Muslim religious leaders in Uzbekistan. RSS program elements were also developed to address religious freedom issues in USAID's human rights programming and to proactively include religious believers in other USAID programs.

ECONOMIC REFORM

Country Situation: Governance in Uzbekistan remains autocratic, over-regulated, and the normal practice for doing business involves corruption at all levels of government. Uzbekistan is plagued by widespread underlying grievances, including unemployment, poor social infrastructure, weak educational and health facilities, and pervasive government interference and human rights abuses. Nearly one-third of Uzbeks live below the national poverty line. Fearing unrestricted imports, the Government is making it difficult, if not impossible, for citizens to cross borders, and the shortage of cash in circulation, while having the effect of stabilizing the currency, has nearly crippled the informal sector. Excessive and increasing import controls have led to several public outbreaks of unrest between traders and government officials in the last two years. With approximately 50% of the population below the age of 30, and youth unemployment estimated as high as 30%, pressure on the Government to institute genuine reform is mounting. The banking system remains in full state control and has little public trust. The GOU is not exercising effective and efficient management of its natural resources (water, natural gas, etc.). After the events in Andijan and the subsequent cooling of USG/GOU relations, several recent trends have been observed, including an unwillingness of the central government to relax control in many areas of economic reform. Consequently, the USG has suspended, with a few exceptions, assistance provided directly to the Central Government of Uzbekistan. Despite high unemployment, there is a shortage of skilled workforce due to labor migration. There is a general lack of an educated population (for example, in business management) and clearly skills do not match the economy. The highly centralized government structure results in nepotism and corruption, compounded by enormous red-tape. Inconsistent legislation gives room for arbitrary interpretation and application, and ensuing abuse of power.

U.S. Assistance Priorities: Uzbekistan is an agricultural country. The agriculture sector generates over 30% of GDP, and is arguably the main income generator for 60% of the rural population. Declining economic conditions and reduced living standards set the environment that USAID is working in and reinforce the need to improve incomes and provide employment opportunities. While USAID's engagement with the GOU is very limited at this time, current USAID programs focus on direct assistance to the private sector. However, there are areas of opportunity in the private sector where we can remain engaged and continue to provide assistance. One area of opportunity is rural development, the focus of the USAID Economic Growth Strategy in Uzbekistan. The main goals of this strategy are to increase incomes of the rural population by establishing strong market linkages between farmers and consumers, based on market demand; improve competitiveness through the promotion of better industry policies, standards, trade facilitation, investment, and management, in partnership with industry associations and non-government groups; develop producer and processor organizations to facilitate technology transfer, advocacy, and productivity; improve access to inputs and markets necessary for efficient production; and, improve access to credit.

Program Performance: Because the GOU did not meet the conditions required for certification, as stated in Section 578 of the FY 2005 Foreign Operations Assistance Act, USAID suspended its assistance to the Central Government in preparing submissions to the World Trade Organization (WTO). This assistance previously increased the quality of the Government's submissions, according to the WTO Secretariat. The Regional Trade Promotion (RTP) network of the Enterprise Development Project (EDP) trained four local partners in facilitating web-based trade. Together, trade advisors and local partners conducted 86 trade deals worth \$9,642,994, or 28% of the RTP trade deals in the Central Asia Region.

Due to restrictions on central government assistance, the Economic Policy Reform Project has shifted its focus to identifying and supporting non-government think tanks, universities, and other entities that have potential to influence economic policymaking. The project went through a slow period after the violence in Andijan in May, which resulted in evacuation of the expatriate advisor and cancellation of some activities. Uncertainty still remains about appropriateness of holding public events and training. A positive highlight to note is continued Government support for the quarterly "Uzbekistan Economy," one of the few publications that provide extensive statistical data and analysis.

In year three of the project, USAID local business advisors helped 119 firms, leading to substantial increases in sales and productivity. The Russian language Certified International Professional Accountant (CIPA) Program continued to grow in demand and move incrementally toward sustainability. This year, 221 accountants became Certified Accountant Practitioners, surpassing the anticipated target of 150. Recognizing the value and quality of USAID-supported accounting training, the Ministry of Finance proposed using CIPA exams for qualifying auditors. Efforts by the Small Equity Assistance Fund (SEAF) continued to push forward on investment opportunities but faced challenges, as the closure of a partner bank left SEAF's assets of \$300,000 for business leasing frozen. Additionally, the unrest in Andijan affected the profits of target businesses.

In Uzbekistan, where the banking sector is nearly entirely state-controlled and far from being customer-oriented, access to capital is a paramount barrier to small businesses. USAID is addressing this by supporting microfinance institutions and credit unions in providing capital to micro and small business in a reliable, hassle-free, and sustainable fashion. With just one exception, all such businesses have posted robust growth rates ranging from 70% to over 200% in the past year. These rates of growth reflect the vast unmet demand for small and micro loans in the country.

USAID accomplished only a nominal amount of programmatic work under its Business and Economics Education Program, as the program was terminated in September 2005 due to an unfavorable political climate in the country.

USAID assistance is helping Uzbekistan to improve the management of water resources, especially water used for irrigation. Over the last five years, USAID has made significant progress in several aspects of water resources management, including in Karakalpakstan, an autonomous Republic within Uzbekistan.

In 2005, the Karakalpakstan partners continued to rehabilitate and extend the drinking water delivery system to over 61,000 additional residents through the provision of piping and tools, heavy equipment, and work vehicles granted by USAID. But, with the unrest in Ferghana Valley, USAID cooperation with the Central Government became more difficult. Even though USAID succeeded in implementing a few programs in Uzbekistan aimed at improving regional cooperation of shared water and energy resources, the GOU has not shown any interest in pursuing such measures; therefore, USAID has discontinued these programs.

One of the areas where USAID has been able to work with limited GOU support is agriculture. USAID is strengthening water user associations as a means of improving water management at the farm level. More than 137,000 residents across four regions benefit from the program. USAID's latest activity in agriculture, the Agricultural Finance Plus (AgFin+) Program, was initiated this past year and began with a solid start, but slowed after events in Andijan in May. Approximately 370 farmers and 500 greenhouse producers in Andijan have received training from the program to date.

SOCIAL REFORM AND HUMANITARIAN ASSISTANCE

Country Situation: Uzbekistan's population of almost 27 million is expected to double over the next 50 years if current growth rates remain unchanged. The result will be even greater demand on social services, especially in the health and education sectors. Unfortunately, both sectors remain critically under-funded, and recent events have further hampered meaningful dialogue with the GOU toward developing joint solutions with donors. Meanwhile, tuberculosis (TB) cure rates remain low, and infectious diseases impact a very high percentage of the population. Infant mortality remains high due to inadequate nutrition, acute respiratory diseases, and diarrhea. The HIV epidemic continues to grow rapidly. Fortunately, infection prevalence remains below 1%; but, among the growing numbers of IV drug users, rates range from 10% in some cities to 60% in others. Teacher salaries, facilities, and teaching materials are not close to meeting any minimal international standard. Low salaries force health care providers and teachers to establish informal payment systems that, in turn, change treatment and education priorities from a needs-based system to a payment-based system, which devastates both sectors.

U.S. Assistance Priorities: Despite the rather bleak setting, USAID is able to successfully complete very specific, targeted activities in Uzbekistan, an approach USAID will continue to use in both the health and education sectors. In health, priorities will focus on technical guidance and leadership in the reform of finance, management, and quality of primary care services; support for surveillance of key infectious diseases including TB, HIV/AIDS, vaccine-preventable diseases, and pandemic influenza; technical assistance with implementation of the World Health Organization-recommended Directly-Observed Treatment Short-course (DOTS) strategy and the national HIV/AIDS response, including drug demand reduction activities; and support for policy reform on maternal and child health (MCH). In education, priorities will focus on increased community involvement in local schools; in-service teacher training, particularly in inclusive education methods and pre-service training; management training for school principals; and, support for education finance reform.

Program Performance: Ten surveillance sites for TB, covering 84% of the population, now use software designed by the U.S. Centers for Disease Control and Prevention (CDC), giving decisionmakers access to consolidated program data. Uzbekistan secured its \$14 million TB grant from the Global Fund for AIDS, TB, and Malaria (GFATM), in large part through assistance from USAID. Seconding USAID specialists to GFATM's implementation unit also has improved operational transparency. USAID helped Uzbekistan's TB Control Program reach 100% geographic coverage and decrease TB mortality and incidence rates. Better planning for drug-resistant TB and patient adherence to treatment should further improve outcomes.

CDC's sentinel surveillance revealed that in some cities, HIV infection has hit 60% of injecting drug users, 20% of prostitutes, and 9% of prison inmates, forewarning of a shift from a concentrated epidemic to the general population. The national HIV/AIDS program now uses this data in implementing the country's

\$24 million GFATM HIV grant, although acceptance has been slower for surveillance of high-risk behaviors. The Asian Development Bank's \$40 million MCH program will extend CDC's USAID-funded work on blood safety. USAID's Central Asia Program on AIDS Control for Youth and High-Risk Groups (CAPACITY) expanded condom social marketing and voluntary counseling and testing, trained providers in anti-retroviral therapy, and helped develop protocols for patients dually infected with HIV and TB. Two pilot sites were selected for the Prevention of Maternal to Child Transmission (PMTCT) Project, and six Uzbek policymakers received USAID-funded PMTCT training in the Ukraine. USAID's Drug Demand Reduction Program (DDRP) broadcasted a documentary film on drug use and HIV/AIDS; opened a center in Samarkand targeting young people at-risk of injecting drugs; developed the region's first drug use prevention curriculum for secondary schools; assisted drug demand reduction activities in prisons; and awarded small grants for drug rehabilitation services. USAID-funded NGOs reached Afghan refugees, 1,500 migrants, and almost 3,000 street kids. DDRP's anonymous tracking system for users of the program's services was adopted by both the national HIV/AIDS program and the World Bank.

In 2005, a larger share of health expenditures went to primary health care (PHC), more people were served by clinics meeting quality standards, and Uzbekistan began rolling out USAID's model of PHC reform with funding from the World Bank and Asian Development Bank. USAID helped develop evidence-based guidelines on hypertension, integrated management of childhood illnesses (IMCI), and anemia, as well as the national grade school health curriculum. Decreases in perinatal morbidity and mortality resulted from training by USAID's MCH Project, which also opened an adolescent reproductive health center and three schools for expectant parents, and delivered humanitarian assistance shipments valued at \$500,000. In 2005, USAID and the Israeli Foreign Ministry marked the completion of a joint five-year program, which trained 350 nurses in clinical skills, leadership, and decisionmaking. Approximately 215 undergraduate medical students were trained using a new health management curriculum developed with USAID support, and USAID assisted the Ministry of Health (MOH) and Ministry of Education in starting a regional medical school accreditation database. USAID sponsored a second regional public health conference which improved coordination between donor agencies and the MOH, allocation of resources for TB and HIV/AIDS programs, and support for work in prisons. A four-day conference brought together nearly 400 public health officials from all five Central Asian Republics to mark CDC's ten-year effort to modernize the region's epidemiological services. USAID and CDC also sponsored the region's first Bioethics Congress. Additionally, through its MCH Project, USAID wrote the MOH's infection prevention and antenatal care guidelines. A multi-agency group organized by USAID reached consensus on a national Reproductive Health Strategy, addressing such key issues as adolescent health, contraceptive security, sexually transmitted infections, and screening for breast and cervical cancer. CDC's work on international birth definitions, supported by USAID, has rescued 81 newborns that would have been pronounced dead under the old criteria.

In 2005, through its Basic Education Program, USAID successfully piloted new teacher training modules; however, the target of 400 teachers trained was not met. In total, 180 teachers completed the full training course, while another 149 teachers were exposed to the training modules at the Central Teacher Training Institute.

In 2005, USAID continued to promote community participation in education through the establishment of 37 new Community Education Committees (CEC) and children's clubs at 37 schools. CECs successfully mobilized community resources to help disabled children by building ramps, assisting parents with transportation to the school, and procuring simple prosthetics. Since the start of the program, 65 children have been enrolled in mainstream schools with the help of the CECs. USAID supported 29 schools with small grants for infrastructure repair. The communities' contribution, in the form of unskilled labor, cash, and construction materials, averaged 36% of the project value, which is twice the level of 2004.

In 2005, USAID trained 240 administrators, exceeding the target by 32%. A new course for school directors on managing innovation was rolled out to 78 pilot schools and 65 schools not included in the pilot. At the policy level, USAID worked closely with the GOU on the introduction of a more efficient per-capita-based education finance pilot in Akkurgan, Tashkent Oblast. Training on the principles of per-capita financing and the basics of effective financial management was provided to the directors of all 50 schools in Akkurgan, as well as to 25 school accountants and 20 district education officials. To build

ownership for the pilot, USAID facilitated a working group consisting of officials from the Ministry of Education and Ministry of Finance. The initial outcomes of this pilot will inform not only future USAID activity in education finance, but also the activities of the World Bank's new education program, which is currently in the final design stage.

USAID promoted healthy lifestyles and childrens' sports activities in 40 schools throughout the Ferghana and Andijan regions. The schools benefited from week-long camps, which combined seminars in health education with sports competitions and games. In 2005, technical assistance and training was provided to help teachers and child sports professionals to institutionalize school-community sports by organizing children's sports leagues.

FY 2006 Program**SO: 122-0131 An Improved Environment for the Growth of Small and Medium Enterprises****Improve Economic Policy and the Business Environment**

Improve Economic Policy and the Business Environment (\$20,000 FSA, \$120,000 FSA carryover). USAID will work on building the capacity of local non-government entities involved in economic analysis and advice, including economics universities and think tanks. Principal contractor/grantee: Bearing Point (prime).

Improve Private Sector Competitiveness

Improve Private Sector Competitiveness (\$985,000 FSA, \$562,358 FSA carryover). USAID will shift its work in the area of Small and Medium Enterprise (SME) development from firm-level assistance to strengthening local business service providers to increase the competitiveness of Uzbekistan's SMEs. Future work will entail provision of technical assistance to non-government SME support institutions, professional business associations, and the private sector, including agribusiness. USAID will support implementation of International Financial Reporting Standards through increased sustainability of the professional certification program and professional accounting associations, to improve transparency and competitiveness of SMEs. Principal contractors/grantees: to be determined (TBD) (primes).

Improve Quality of Workforce through Vocational/Technical Education

Improve Quality of Workforce through Vocational/Technical Education (\$240,000 FSA carryover). USAID will improve the quality of business and economics education at the high-school level. Principal contractor/grantee: TBD (prime).

Increase Trade and Investment

Increase Trade and Investment (\$455,000 FSA, \$303,000 FSA carryover). USAID will provide assistance to implement reforms required for liberalizing Uzbekistan's trade regime and increased participation in the global economy. Pending notwithstanding authority to work with the Government of Uzbekistan, this assistance will include support to draft new legislation and amend existing legislation required for Uzbekistan's accession to the World Trade Organization (WTO). Principal contractor/grantee: TBD (prime).

Strengthen The Financial Services Sector & Increase Access to Capital

Strengthen the Financial Services Sector and Increase Access to Capital (\$490,000 FSA, \$569,027 FSA carryover). USAID will continue to strengthen the capacity of non-bank financial institutions to provide financial services to micro and small entrepreneurs on a sustainable basis. Special attention will be given to expanding services to rural areas. Principal contractors/grantees: World Council of Credit Unions, Inc. (prime), TBD (prime), and TBD (prime).

FY 2007 Program**SO: 122-0131 An Improved Environment for the Growth of Small and Medium Enterprises****Improve Private Sector Competitiveness**

Improve Private Sector Competitiveness (\$1,109,000 FSA). Further support will be provided to expand opportunities for businesses to grow and become more competitive. USAID will continue its work on accounting reform. Principal contractors/grantees: TBD (prime) and TBD (prime).

Increase Trade and Investment

Increase Trade and Investment (\$500,000 FSA). USAID will continue assistance in implementation of reforms required for liberalization of Uzbekistan's trade regime and increased participation in the global economy. Principal contractor/grantee: TBD (prime).

Strengthen The Financial Services Sector & Increase Access to Capital

Strengthen the Financial Services Sector and Increase Access to Capital (\$460,000 FSA). USAID will also support further expansion of access to finance for micro and small entrepreneurs through non-bank financial institutions and, possibly, local commercial banks. Principal contractors/grantees: Bearing Point (prime) and TBD (prime).

FY 2006 Program

SO: 122-0161 Improved Management of Critical Natural Resources, Including Energy

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$148,000 FSA carryover). USAID is starting a Regional Electricity Market Program (REMAP) and is planning to work closely with the United Dispatch Center (UDC) located in Tashkent, Uzbekistan. The center is entitled to monitor and control electricity generation and transmission throughout the Central Asian Republics. REMAP will provide UDC with technical assistance and training that will help improve its capacity to coordinate and regulate the increased regional electricity trade. Principal contractor/grantee: to be determined (TBD) (prime).

Increase Agricultural Sector Productivity

Increase Agricultural Sector Productivity (\$1,140,000 FSA, \$85,350 FSA carryover). Agricultural Finance Plus (AgFin+) is part of USAID/CAR's agricultural development program, the purpose of which is to stimulate economic growth throughout the farm-to-market value chain. Agriculture plays a significant role in the economy of Uzbekistan, including 35% of employment. The AgFin+ Program will increase the income of Uzbekistan's farmers by linking targeted groups of farmers to specific markets. Through training and technical assistance, AgFin+ will assist farmers to overcome constraints they face in delivering products to targeted markets and to capture a return on their investment. The AgFin+ Program, complementing USAID/CAR's economic development activities (such as small business development), will also stimulate agriculture-related businesses such as agri-services, agri-trade, and agri-processing, which are critical to the farm-to-market chain. Through improved production tied to specific markets, AgFin+ will link farmers to underserved markets, address financial constraints, provide on-farm support, and coordinate with other agricultural sector programs and institutions. Principal contractors/grantees: Development Alternatives Inc. (prime) and Winrock International (sub).

The growth of rural economies in Central Asia depends on local control of resources and increased citizen participation in decisionmaking. Local management of water resources is critical to the agricultural economy of Uzbekistan, which represents nearly 40% of GDP. USAID will continue its assistance to Water User Associations (WUA) in Uzbekistan to promote and stimulate WUA policy and procedural reforms, develop irrigation system demonstration models, conduct public outreach campaigns, and implement a grants program to assist WUAs. Principal contractors/grantees: Winrock International (prime), Academy for Educational Development (sub), and New Mexico State University (sub).

FY 2007 Program

SO: 122-0161 Improved Management of Critical Natural Resources, Including Energy

Increase Agricultural Sector Productivity

Increase Agricultural Sector Productivity (\$1,072,000 FSA). USAID will continue to invest in agricultural development through AgFin+ by expanding the number of target groups and markets, and assisting them to identify opportunities and overcome constraints in the farm-to-market value chain. USAID will also continue assistance to Water User Associations, including replication of efficient irrigation demonstration models; expanding public outreach to farmers, government, and other donors; and continued implementation of a competitive small grants program. Principal contractors/grantees: Winrock International (prime), Academy for Educational Development (sub), and New Mexico State University (sub).

FY 2006 Program

SO: 122-0211 Strengthened Democratic Culture Among Citizens and Target Institutions

Establish & Ensure Media Freedom & Freedom Of Information

Establish & Ensure Media Freedom & Freedom of Information (\$657,222 FSA, \$45,000 FSA carryover). USAID will provide training, technical assistance, and production support to independent journalists to expand the availability of objective programming. Principal contractor/grantee: Internews (prime).

Protect Human Rights

Protect Human Rights (\$500,000 FSA, \$850,000 FSA carryover). USAID will provide financial support to a network of human rights defenders, and to encourage dialogue among the human rights community, the media, and governmental actors working on these issues. Principal contractors/grantees: Freedom House (prime), American Bar Association Central European and Eurasian Law Initiative (ABA/CEELI) (sub), and Eastern Kentucky University (prime).

Reduce Trafficking In Persons

Reduce Trafficking In Persons (\$600,312 FSA, \$262,801 FSA carryover). USAID will provide financial support for information campaigns on trafficking, for the provision of services to trafficking victims through a network of shelters, and for the opening of a crisis center for victims of labor exploitation and a new shelter for women in a major city. USAID will also provide training to health workers on the treatment of victims, and to non-governmental organizations (NGOs) working on counter-trafficking to increase their financial and institutional sustainability. Principal contractor/grantee: International Organization for Migration.

Strengthen Civil Society

Strengthen Civil Society (\$1,542,466 FSA, \$230,000 FSA carryover). USAID will provide training and technical assistance to law students to prepare them to teach classes on civic rights and responsibilities in a democracy to secondary school students. USAID will also provide financial support to leading NGOs. Principal contractors/grantees: ABA/CEELI (prime) and to be determined (TBD) (prime).

Strengthen Democratic Political Parties

Strengthen Democratic Political Parties (\$442,242 FSA carryover). USAID will provide training and technical assistance to political parties to develop their organizational structures and strategic planning capacities, with a focus on citizen outreach and communications. Principal contractor/grantee: National Democratic Institute (prime).

FY 2007 Program**SO: 122-0211 Strengthened Democratic Culture Among Citizens and Target Institutions****Establish & Ensure Media Freedom & Freedom Of Information**

Establish & Ensure Media Freedom & Freedom of Information (\$498,790 FSA). USAID will work with local media organizations to increase access to information and protect the rights of journalists. Principal contractor/grantee: TBD (prime).

Protect Human Rights

Protect Human Rights (\$1,001,900 FSA). USAID will provide training and financial assistance to a network of human rights defenders, and support dialogue between the government and other actors on the human rights situation. Principal contractors/grantees: Freedom House (prime), American Bar Association Central European and Eurasian Law Initiative (ABA/CEELI) (sub), and Eastern Kentucky University (prime).

Strengthen Civil Society

Strengthen Civil Society (\$1,602,310 FSA). USAID will provide training and technical assistance to NGOs, with a focus on youth organizations, to strengthen their institutional capacity. Principal contractor/grantee: TBD (prime).

FY 2006 Program**SO: 122-0240 Conflict Mitigation****Mitigate Conflict and Support Peace**

Mitigate Conflict and Support Peace (\$550,000 FSA, \$914,650 FSA carryover). The final year of the Peaceful Communities Initiative will focus on building stronger relationships among citizens and local government to reduce the potential for conflict through more effective allocation of budgetary and physical resources. A second aspect of the program will focus on social activities such as youth summer camps or tolerance trainings to bridge differences between ethnic communities living in close proximity. The first full year of a follow-on conflict program will target a combination of prior USAID-assisted communities as well as new communities in the same geographic area, focusing on decreasing the risk for conflict through economic development, youth empowerment, and information dissemination. Principal contractors/grantees: Mercy Corps (prime), Cooperative Housing Foundation (prime), and Counterpart International (sub).

FY 2007 Program**SO: 122-0240 Conflict Mitigation****Mitigate Conflict and Support Peace**

Mitigate Conflict and Support Peace (\$517,000 FSA) The program will focus on strengthening local economic development councils as they draft local civic enterprise plans for community clusters. The plan will focus on income-generating and job creation projects and the promotion of youth leadership. The program will also improve the skills of local government, religious, business, and community leaders to form partnerships, communicate more effectively, and develop stronger businesses. Principal contractors/grantees: Cooperative Housing Foundation (prime) and Counterpart International (sub).

FY 2006 Program**SO: 122-0320 Increased Utilization of Quality Primary Health Care for Select Populations**

Address Other Health Vulnerabilities

Address Other Health Vulnerabilities (\$2,087,000 FSA, \$473,009 FSA carryover). ZdravPlus II, USAID's health reform program, will provide technical assistance for the nationwide roll-out of pilot activities related to high-quality PHC, evidence-based medicine, and capitated financing. Facilities in pilot sites will hold town meetings to explain health reforms and available services to citizens, and support groups will be formed for people with specific illnesses. ZdravPlus II will begin demonstration pilots of a hospital case-based payment system, as well as new pilots in urban PHC. ZdravPlus II will assist the Tashkent Medical Academy with lesson plan development, and train teachers on curriculum design. The USAID-supported Evidence-based Medicine Center will continue to provide technical assistance, promote evidence-based medicine, and develop Uzbekistan's National Quality Improvement Strategy.

USAID's maternal and child health program, Healthy Family, will conduct training related to facility supervision, clinical protocols, antenatal care, delivery management, and integrated management of childhood illnesses. Volunteer health educators and visiting nurses will communicate key health promotion messages, and religious leaders and madrassa students will receive training in community health education. Management of pregnancy and childbirth complications will be introduced as subject material for Uzbekistan's medical institutes. USAID will continue to support implementation of the World Health Organization-recommended live birth definition on a pilot basis. In response to a request from the Uzbek Minister of Health, USAID will be partially funding a measles vaccination campaign conducted by UNICEF throughout Uzbekistan. This campaign is intended to correct problems caused by interruptions in routine vaccination, which occurred immediately after independence. Principal contractors/grantees: Abt Associates (prime), Morehouse University School of Medicine (sub), John Snow Inc. (sub), Boston University (sub), Institute for Sustainable Communities (sub), U.S. Centers for Disease Control and Prevention (CDC) (prime), UNICEF (prime), and Project HOPE (prime).

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$1,058,000 FSA, \$42,015 FSA carryover). Through its TB Control Program, USAID will continue to support implementation of the Directly Observed Treatment Short-course (DOTS) beyond pilot areas, through the use of "mentoring sites." The program will assist to collect and disseminate critical data for effective DOTS programming, and support the nation's high level working group on TB. USAID's program will work to improve the drug management system to reflect current National TB Program budgetary limitations. CDC will continue to train Uzbek professionals to be skilled epidemiologists through the Applied Epidemiology Training Program (AETP). CDC will expand its electronic surveillance activities on TB and improve TB laboratory capacities through quality assurance training. Quality assurance training will also be provided for laboratory staff at the Primary Health Care level. Principal contractors/grantees: CDC (prime), Project HOPE (prime), Johns Hopkins University Bloomberg School of Public Health (sub), John Snow Inc. (sub), New Jersey Medical School National TB Center (sub), Chemonics International (sub), and CAMRIS International (sub).

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS (\$1,205,000 FSA, \$58,339 FSA carryover). Through the Central Asian Program on AIDS Control and Intervention Targeting Youth and High-Risk Groups (CAPACITY), USAID will continue to assist the Government to implement its HIV grant from the Global Fund to Fight AIDS, TB, and Malaria, if notwithstanding authority is granted. The project will also increase the capacity of local non-governmental organizations to reach vulnerable groups and will work with other donors to leverage additional resources. Training will be provided to health professionals to improve their skills in counseling, testing, and antiretroviral treatment. The project will also address co-infection of HIV and TB. CDC will intensify efforts to train officials on the utilization of data from HIV surveillance for programmatic and policy decisionmaking. Uzbekistan's blood screening systems will continue to be advanced. USAID's innovative Drug Demand Reduction Program (DDRP) will focus on developing the Youth Power Center network aimed at preventing drug use by vulnerable young people.

The national HIV/AIDS program will employ DDRP's Unique Identifier System for client tracking. Principal contractors/grantees: John Snow Inc. (prime), Population Services International (sub), Abt Associates (sub), International HIV/AIDS Alliance (sub), Howard University (sub), Alliance for Open Society International (prime), Eurasia Foundation (sub), AIDS Foundation East-West (sub), Accord (sub), Internews-Uzbekistan (sub), and CDC (prime).

FY 2007 Program

SO: 122-0320 Increased Utilization of Quality Primary Health Care for Select Populations

Address Other Health Vulnerabilities

Address Other Health Vulnerabilities (\$1,515,000 FSA). In its last year, Healthy Family will transition its activities to local governments, and will work to ensure sustainability of the project. As part of the strategy to encourage the Uzbek Ministry of Health to sustain training in maternal, child, and reproductive health, health policy specialists will conduct orientations on the new National Antenatal Care prikaz, the Reproductive Health Strategic Plan, and gender equity. Healthy Family will assist with the development of new standards on pediatric care and evidence-based medicine policy. Principal contractors/grantees: same as above; additional contractors/grantees TBD.

Prevent & Control Infectious Diseases Of Major Importance

Prevent and Control Infectious Diseases of Major Importance (\$859,000 FSA). USAID will continue to expand DOTS implementation beyond pilot areas while supporting the high level working group on TB control in Uzbekistan. CDC will continue the AETP to support the Ministry of Health with identification, investigation, documentation, and dissemination of information about outbreaks of infectious diseases through a trained cadre of public health epidemiologists, and will expand its electronic surveillance activities on TB. Principal contractors/grantees: same as above; additional contractors/grantees TBD.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact of HIV/AIDS (\$1,012,000 FSA). CAPACITY will continue to strengthen implementation of the national strategy to prevent and control HIV/AIDS, and CDC will continue to improve capacity for HIV surveillance and blood screening. In 2007, DDRP will transfer its best practice models for work with vulnerable youth and other target groups to local government and private counterparts. Principal contractors/grantees: same as above; additional contractors/grantees TBD.

FY 2006 Program

SO: 122-0340 Improved Quality and Access to Basic Education in Target Areas

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$250,000 FSA, \$185,000 FSA carryover). Funding in FY 2006 will be used primarily for program management needs and assessment of future directions. This is due to the Government of Uzbekistan's political disengagement from USAID-supported programming in the sector. USAID will explore options for continuing training in interactive methodology, and rolling out the newly redesigned modules to teachers and administrators in target areas. The modules are based on best international teaching practices and include both traditional instruction and digital materials, such as PowerPoint presentations and digital video. USAID will also seek to continue assistance in streamlining education finance through the pilot activity in per capita financing, which was launched in Akkurgan district in 2005. Principal contractors/grantees: Academy for Educational Development (prime), Ziyu Center (sub), Abt Associates (sub), and Save the Children/U.S. (sub). Training and technical assistance to schools on developing sustainable sports networks, along with sports and health promotion activities for children will continue to the extent possible, given the limitations on school-level work. Principal contractor/grantee: Abt Associates (prime).

FY 2007 Program**SO: 122-0340 Improved Quality and Access to Basic Education in Target Areas****Achieve Equitable Access to Quality Basic Education**

Achieve Equitable Access to Quality Basic Education (\$470,000 FSA). USAID may fund small-scale initiatives tackling narrowly-defined issues in the basic education sector. Options include continuing the education finance pilot effort launched in 2005, institutionalizing the interactive teaching modules developed during the current program with in-service or pre-service teacher training institutions, and providing assistance at the community level, potentially targeting children with special needs. Although the impact of such assistance may be limited, USAID believes that continued engagement at this level of funding would improve sustainability prospects for the investments made during the initial 4.5 years of the program. Principal contractor/grantee: to be determined (TBD) (prime).

FY 2006 Program**SO: 122-0420 Cross-Cutting Programs****Program Support**

Program Support (\$1,400,000 FSA, \$1,912,119 FSA carryover, \$126,181 FSA prior year recoveries).

Participant Training Program: USAID will continue participant training to complement ongoing technical assistance in the following areas: improved environment for growth of small and medium enterprises, enhanced trade through cross-border opportunities, strengthened democratic culture, improved management of critical natural resources, increased utilization of quality primary health care, sources of conflict mitigated in target communities, and quality of education improved. Of particular note, in FY 2006, the Participant Training Program will expand agricultural training programs to inform an additional 1,680 farmers about their legal rights and to strengthen their business management and marketing skills. Additionally, in spring 2006, a conference will be organized in Tajikistan with training resources to bring together religious leaders from across the region to discuss religious extremism, including participants from Uzbekistan. Also, training that raise awareness of international norms of religious freedom will be organized for varied groups, including advocates, religious leaders, and human rights activists through the participant training program. More than 2,000 participants will be trained through Participant Training activities in Uzbekistan during FY 2006. Principal contractor/grantee: Academy for Educational Development (prime).

Community Connections. In FY 2006, USAID will begin implementation of the Community Connections Program, a public diplomacy initiative previously funded by the State Department. Through the program, approximately 60 Uzbek citizens per year will participate in exchanges to promote mutual understanding between the United States and Uzbekistan through exposure to U.S. society and personal connections with Americans. In addition, a Muslim outreach program will be supported as a follow-on program to the previously FSA-funded/State Department-implemented Cultural and Religious Pluralism Program. The program will support training and exchange of religious leaders and will emphasize religious freedom, cultural diversity, and the active role that religion can play in the development process in transition countries. The Community Connections Program will help achieve USG priorities in Uzbekistan by targeting professional groups and individual entrepreneurs that are central to economic and democratic reform. Exchange programs will last from 3-5 weeks, and be tailored to the individual needs of participants. Principal contractor/grantee: World Learning (prime) and American Councils for International Education (sub).

Eurasia Foundation. The Eurasia Foundation will target approximately 40 non-governmental organizations (NGOs) that contribute to private sector development and civil society strengthening through small grants. The NGOs will also benefit from institutional strengthening through intensive planning, reporting, and financial management training. In particular, in FY 2006, Eurasia Foundation will expand its Ferghana Valley Initiative to provide targeted grants to increase dialogue and cross-border

linkages in this conflict-prone region. The Eurasia Foundation will promote NGO advocacy and accountability to both inform the government and public about the positive contributions of NGOs and to give NGOs the tools to better defend and advocate their interests. Principal contractor/grantee: Eurasia Foundation (prime).

Program Support A wide range of program support will continue to be funded, including evaluations, technical assistance, management needs, public outreach, and staff costs. As required, funding will enable USAID to take advantage of unanticipated opportunities to advance or reinforce USAID strategic objectives. Furthermore, USAID will expand outreach efforts to engage traditional religious leaders in the region. The goal of this initiative is to better inform religious leaders about USAID programs and to bridge the gap with traditional community leaders whose views, in the past, have not generally been incorporated into USAID programmatic decisionmaking. In accomplishing this goal, USAID will conduct tours of its programs for religious leaders and the media, hold regular representational events with religious leaders, and work with technical assistance providers to incorporate religious leaders into development activities. Principal contractor/grantee: N/A.

FY 2007 Program

SO: 122-0420 Cross-Cutting Programs

Program Support

Program Support (\$1,551,000 FSA)

Community Connections: USAID will continue the Community Connections Program, providing both professionals and businessmen with the opportunity to learn about U.S. society while enhancing their knowledge in areas of expertise. Approximately 60 Uzbek citizens will participate in the program during FY 2007. Principal contractors/grantees: World Learning (prime) and American Councils for International Education (sub).

Eurasia Foundation: The Eurasia Foundation will continue to provide grants and institutional strengthening on an open-door basis to approximately 40 non-governmental organizations in Uzbekistan that work in the sectors of private enterprise development, civil society strengthening, and public administration. Principal contractor/grantee: Eurasia Foundation (prime).

Program Support: A wide range of program and personnel support activities will continue. As required, funding will enable USAID to support unanticipated opportunities to advance or reinforce USAID objectives. Additionally, religious outreach efforts will continue and be expanded, through tours for and representational events with religious leaders. Principal contractor/grantee: N/A.

Results Framework

122-0131 An Improved Environment for the Growth of Small and Medium Enterprises

Program Title: Small and Medium Sized Enterprises

IR 1.3.1: Increased Opportunities to Acquire Business Information, Knowledge, and Skills

IR 1.3.2: More Responsive Financial Institutions, Instruments, and Markets

IR 1.3.3: Increased Implementation of Laws and Regulations

122-0161 Improved Management of Critical Natural Resources, Including Energy

Program Title: Energy and Water

IR 1.6.1: Increased Management Capacity in the Natural Resources Sector

IR 1.6.2: Improved Policy and Regulatory Framework

IR 1.6.3: Sustainable Models Developed for Integrated Natural Resources Management

IR 1.6.4: Public Commitment Established for Natural Resources Management Policies

122-0211 Strengthened Democratic Culture Among Citizens and Target Institutions

Program Title: Democratic Culture and Institutions

IR 2.1.1: Stronger and More Sustainable Civic Organizations

IR 2.1.2: Increased Availability of Information on Civic Rights and Domestic Public Issues

IR 2.1.3: Enhanced Opportunities for Citizen Participation in Governance

IR 2.1.4: More Effective, Responsive, and Accountable Government Institutions

122-0240 Conflict Mitigation

Program Title: Conflict Prevention

IR 2.4.1: Strengthened Community Participation

IR 2.4.2: Improved Local Services Through Community Decisions

122-0320 Increased Utilization of Quality Primary Health Care for Select Populations

Program Title: Health and Population

IR 3.2.1: Select Populations are Better Informed about Personal Health Care Rights and Responsibilities

IR 3.2.2: Improved Quality of Health Care including Infectious Diseases and Maternal and Child Health

IR 3.2.3: Improved Use of Health Care Resources for Primary Health Care

IR 3.2.4: Improved Legislative, Regulatory and Policy Framework

122-0340 Improved Quality and Access to Basic Education in Target Areas

Program Title: Improved Quality of and Access to Basic Education

IR 3.4.1: Improved Quality and Access to In-Service Teacher Education in Target Areas

IR 3.4.2: Increased Parent and Community Involvement in Target Areas

IR 3.4.3: Strengthened Institutional, Management, and Technical Capacity in the Education System

122-0420 Cross-Cutting Programs

Program Title: Cross-Cutting Programs